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INSIDE: STATE

At the State Department, the subject of international terrorism is like the weather. Everybody—including Secretary of State George P. Shultz—talks about it, but no one seems to know what to do about it.

Since April, when President Reagan signed a secret directive described by officials as a broad charter for "taking the offensive" against state-sponsored international terrorists, there has been a steady stream of rumors about bold, even drastic new U.S. measures.

Initially, there was speculation that the directive might be a cover for preemptive action against Iran, Libya or Syria—countries that Shultz calls the "League of Terror." More recently, when the United States decided to bar Norway from selling surplus U.S.-made F6 jet fighters to Greece because the Greeks allegedly failed to act against a suspected Arab terrorist, questions were raised about whether the Reagan administration was adopting a get-tough policy toward countries that it regards as soft on terrorism.

Privately, however, senior State Department officials say that these assumptions stem from misinformation about the intent of the directive. Shultz told Congress in June that the emphasis of administration activities is on "self-protection" and added: "I don't think we want to address the question of broad preemptive strikes and things like that at this time."

Other senior officials, while acknowledging that the Greek government's ignoring of U.S. information about suspected terrorist activities was a factor in the F6 decision, said other disagreements with Athens had played a part...

"There is no significant change in our approach to how we deal with other countries," said one official. "Obviously, if a country is an active supporter of international terrorism, it will affect relations. But we are not going systematically through the list of every nation with which we have relations and reevaluating our relations on the basis of whether we think they meet our standard of concern about the dangers of terrorism."

In addition, the official noted, U.S. relations with virtually all countries that are active supporters of terrorism already are so bad that there is nothing Washington could do in the way of diplomatic or economic retaliation.

"When you're dealing with a country like Iran or Libya or South Korea, there's really no way to strike back at them short of going to war," he said.

But, the officials stressed, that doesn't mean that nothing is happening. Under the direction of Robert M. Sayre, State's Office for Combatting Terrorism has become a beehive of activity, churning out studies, legislative proposals and other initiatives.

While most of the office's work is secret, officials familiar with its operations said that it is geared toward two objectives: finding ways to better protect American lives and property overseas, and persuading allies to join Washington in thinking about cooperative ways to cope.

That already has resulted in such specific steps as a campaign to improve security at U.S. embassies in high-risk countries, better sharing of intelligence, enlisting security and intelligence experts to assess the likely directions of terrorist activity in coming years, and proposed legislation that would empower the government to prevent U.S. firms from providing services to other countries that might help terrorists.

That kind of activity seems rather humdrum in comparison to the paperback-novel schemes that were the subject of speculation in the wake of the White House directive and Shultz's April remark that a purely "defensive posture... gives a free ride to terrorism." But, the officials said, it is consistent with the secretary's subsequent strictures requiring that all measures be compatible with democratic ideals and freedoms and that the problem be addressed "in small bites."

— John M. Goshko